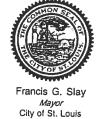


Director

_AMBERT-ST. LOUIS INTERNATIONAL AIRPORT

City of St. Louis Airport Authority

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April 5, 2004

Mrs. Llona Weiss Deputy Director, Outreach and Assistance Program Missouri Department of Natural Resources P.O. Box 176 Jefferson City, Missouri 65102-0176

RE: Tract I South, Owned by The City of St. Louis ("City") and Leased to McDonnell Douglas Corporation a Whole Owned Subsidiary of The Boeing Company ("Boeing") RCRA PERMIT NO MOD 00818963
Investigation and Corrective Action

Dear Mrs. Weiss:

Thank you for meeting with representatives of the City of St. Louis Airport Authority ("Airport") and Boeing on Thursday, March 25th to discuss Boeing's obligations under RCRA Corrective Action.

The Airport appreciates MDNR's assistance in facilitating this dialogue and we particularly value MDNR's commitment to complete Boeing's RFI/RA by the end of June, 2004. As an update, the "Lease Agreement AL-100" between the City and Boeing will be extended to June 30, 2005. The Airport looks forward to additional meetings, but this letter is to make clear two points.

While the City believes that the Cleanup Levels for Missouri ("CALM") establishes the applicable cleanup standard, the City recognizes the value of re-evaluating the risk-based remediation approach. It has already become clear under MDNR's and Boeing's "pilot project" for Tract I South, that site-specific investigations and the re-development of risk-based standards for correction action is quite complex and time-consuming. However, as noted at the meeting, any selected risk-based remedy that unreasonably or materially impacts or interferes with the ability of the City or its tenants to use and enjoyment of the City's property in timely fashion is unacceptable.

Since Boeing's residual contamination may be allowed to remain on-site under a risk-based remediation, the RCRA Corrective Action permit must be clear that the management of

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the environmental risk, human health risk and financial obligation will remain the responsibility of Boeing. The Airport believes that the institutional controls and financial assurance documents must become part of Boeing's remedy.

The Airport Authority will continue to work in good faith with MDNR and Boeing to develop and design appropriate institutional controls and other documents that clearly define the obligations and responsibilities of the permittee, Boeing. In addition, the Airport believes it is essential that the permit include a financial assurance document in the form of a surety bond, letter of credit, or other approved means that will help ensure long term stewardship of the site.

The Airport will ensure access to Boeing and MDNR in order to facilitate the continuing obligations of Boeing; provided that any ongoing remediation, including any testing or monitoring, or the use of institutional controls, shall neither unreasonably or materially impair or interfere with the Airport or its tenants use and enjoyment of the City's property. The City will agree to restrict the subject property to a commercial/industrial use that will allow aircraft manufacturing, maintenance or operations and related office uses. Finally, the City will agree to restrict groundwater use at the site in order to eliminate this potential pathway of concern.

The Airport is not otherwise restricted in its use of the property and is not obligated to assume the responsibilities of Boeing at this site. If the Airport's future use disturbs contamination, Boeing's institutional controls contract must be triggered which in turn may require notice to MDNR and/or additional remedial and financial responsibilities of Boeing.

The Airport Authority looks forward to further discussion on these issues.

Sincerely,

Gerard M. Slay

Deputy Airport Director

cc: Stephen Mahfood, Director, MDNR

Scott Totten, Director, Water Protection & Soil Conservation, MDNR

Edward Galbraith, Director, Hazardous Waste Program, MDNR

Leonard L. Griggs, Jr., P.E., Lambert-St. Louis International Airport, Director of Airports

Brian Kinsey, Lambert-St. Louis International Airport- Properties Department

Joletta Golik, Airport/PMO Office

Mario A. Pandolfo, City Counselor's Office, Associate City Counselor

Boeing Realty Corporation

G. J. Olsen, Vise President Shared Services Group, The Boeing Company

Bryan Kury, The Boeing Company

Mike Dwyer, The Boeing Company

Sturla Olsen, The Boeing Company

Linda Martinez, Bryan Cave LLP

Robert Morrison, Chief, Hazardous Waste Program Permit Section, MDNR

Richard Nussbaum, Corrective Action Unit Chief, Hazardous Waste Program, MDNR

Timothy Chibnall, Hazardous Waste Program, MDNR